



Committee and Date

Audit and Governance Committee

27th November 2025

10:00am

Item



Fraud, Special Investigation and RIPA Update

Responsible Officer:	Katie Williams		
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Cabinet Member (Portfolio Holder):	Heather Kidd, Leader of the Council Duncan Kerr, Chairman of the Audit and Governance Committee Roger Evans, Portfolio Holder – Finance		

1. Synopsis

This report provides a brief update on current fraud and special investigations undertaken by Internal Audit and the impact these have on the internal control environment, together with an update on Regulation of Investigatory Powers Act (RIPA) responsibilities.

2. Recommendations

- 2.1. The Committee is asked to consider and endorse, with appropriate comment, the contents of the Internal Fraud, Special Investigation and RIPA Update report.

Report

3. Risk Assessment and Opportunities Appraisal

- 3.1. An effective Internal Audit Service examines, evaluates and reports objectively on the risk management, control and governance processes, taking account of public sector internal auditing standards or guidance as a contribution to the proper, economic, efficient and effective use of resources. With special investigations, this is done via an investigation/ disciplinary report and management issues report which highlights weaknesses and proposes internal control improvements to reduce the potential for future frauds, losses or corruption.
- 3.2. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998 and the Accounts and Audit Regulations 2015.
- 3.3. There are no direct environmental, equalities or consultation consequences of this proposal.

4. Financial Implications

- 4.1. The Internal Audit service is provided within the approved budget. The work undertaken by Internal Audit in relation to Fraud and Special Investigations contributes to the efficient and effective use of resources ensuring their optimal use to achieve the Council's identified outcomes.
- 4.2. Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend will be stopped and all essential spend challenged. These actions may involve (this is not exhaustive):
 - scaling down initiatives,
 - changing the scope of activities,
 - delaying implementation of agreed plans, or
 - extending delivery timescales.

5. Climate Change Appraisal

- 5.1. This report does not directly make decisions on energy and fuel consumption; renewable energy generation; carbon offsetting and mitigation; or on climate change adaption. However, the work of the Committee will look at these aspects relevant to the governance, risk management and control environment.

6. Background

- 6.1. This report provides an update on special investigations completed by Internal Audit and recent RIPA activity as a standing agenda item for the Audit and Governance Committee. Members are requested to keep the information strictly confidential as some investigations or the associated disciplinary process may still be in progress.
- 6.2. The Council continues to operate a zero tolerance to fraud. This report focuses on the work supporting that approach, regardless of whether fraud, mismanagement or other irregularity has resulted.
- 6.3. In accordance with information requirements under the Local Government Transparency Code 2014, the Council publishes its fraud and irregularity data annually.
- 6.4. Full details of the Transparency Code 2014 can be found on the Shropshire Council website. <https://www.shropshire.gov.uk/open-data/>

7. Current Investigations

- 7.1. There are seven ongoing investigations, senior resources will continue to target completion of this work and the outcomes of will be reported to Audit and Governance Committee on conclusion.
- 7.2. No investigations have been concluded since the September Committee.

8. Regulation of Investigatory Powers Act (RIPA) Activity

- 8.1. Since to the departure of the Head of Business and Consumer Protection there have been no RIPA update to report. As part of the Council's new operating model responsibility for RIPA administration and management has moved to Service Director for Legal and Governance and Planning.
- 8.2. Consideration is currently being given to the transition and planned approach to the corporate management and adherence to RIPA legislation. This includes an external review of the existing policy and procedures, and full review of the training required for officers involved in the process as well as some high-level awareness raising advice to all staff so that they can at least identify when RIPA may apply.
- 8.3. Further consideration is being given to ongoing external support on RIPA activity where it is required. It is envisaged that the assessment of the current policy and procedures will be completed by March 2026, with training considered immediately. The Council is due to be inspected by the Investigatory Powers Commissioner (IPC) in 2026.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

RIPA Draft Policy and Guidance reports to Council for January 2022

IPCO Surveillance and CHIS Inspection Shropshire Council

Local Member: N/A

Appendices

N/A